

Montana Transportation Commission

December 12, 2005 – Telephone meeting

Please note: an audio recording of the meeting is available from the transportation commission secretary at (406) 444-7200 or ldemont@mt.gov.

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The TTY number is (406) 444-7696 or 1-800-335-7592.

Note: ==> indicates follow-up is needed.

The Montana Transportation Commission met via conference call on December 12, 2005. The meeting was called to order by Chairman Kennedy at 10:05 am with the following participants:

Bill Kennedy, Transportation Commission Chair (District 5)
Nancy Espy, Transportation Commission Vice Chair (District 4)
Kevin Howlett, District 1 Transportation Commissioner
Deb Kottel, District 3 Transportation Commissioner
Jim Lynch, MDT Director
Jim Currie, MDT Deputy Director
Tim Reardon, MDT Chief Counsel
Mark Wissinger, MDT Construction Engineer
Lorelle Demont, Commission Secretary
Marvin Rehbein, Riverside Contracting Inc.

Agenda item 2: Award projects from December 1, 2005 letting

On behalf of Chief Engineer Loran Frazier, Mark Wissinger reviewed staff recommendations (see attached) for the following fourteen projects:

2. Bighorn River - Hardin

Project BR 384-1(12)0

Three bids were tendered. There were no errors or omissions in the low bid which was 21.35 percent over our engineers' estimate. Wissinger referenced the discussion materials that were attached to the commission's agenda packet. The engineers' estimate was too low on some items, specifically the relocate structure/detour item and the structural steel. Using revised prices for these items brought the engineers' estimate to \$5,427,818. The low bid is then 6.5 percent over the engineers' estimate, and within guidelines for award.

As part of the bidding procedure on this project, the contractor had to indicate which gravel sources he intends to use. Morgen and Oswood Construction Co Inc indicated their intent to bring most of the material for this project from commercial sources off the reservation, with the exception of special borrow material from the Dunmore pit on the Crow Reservation. This pit is jointly owned by Carol "Sue" Riley and Edwina Old Coyote Melkus, a DBE firm.

Staff recommended the contract be awarded to Morgen And Oswood Construction Co Inc in the amount of \$5,781,910.77.

3. US 287 Pass Ln - N Three Forks

Project NH 8-4(32)102

Five bids were tendered. There were no errors or omissions in the low bid which was 4.91 percent over our engineers' estimate.

Staff recommended the contract be awarded to Jim Gilman Excavating Inc in the amount of

\$5,123,200.18.

4. Structures - S Of Pray

Project BR 540-1(13)6

Four bids were tendered. There were no errors or omissions in the low bid which was 2.66 percent over our engineers' estimate.

Staff recommended the contract be awarded to Sletten Construction Company in the amount of \$1,269,043.00.

5. Tarkio-East, Alberton - East & West & Fencing - Alberton Fire Damage

Project IM 90-1(155)64, SFCI 90-1(156)74 & IM-STPS 0002(820)

Two bids were tendered. There were no errors or omissions in the low bid which was 4.73 percent over our engineers' estimate.

Staff recommended the contract be awarded to Riverside Contracting Inc in the amount of \$1,392,974.46.

6. Jct I-94 - South

Project STPP 48-1(27)18

Two bids were tendered. There were no errors or omissions in the low bid which was 7.24 percent under our engineers' estimate.

Staff recommended the contract be awarded to J T L Group Inc - Billings in the amount of \$1,386,401.40.

7. D5 - Scour Protection

Project BH 0002(745)

Two bids were tendered. There were no errors or omissions in the low bid, however it was 69.96 percent over our engineers' estimate and outside the guidelines for award. Frank Donnes of Donnes Inc. indicated that, as part of putting his bid together, he'd visited with DEQ regulators about the project. They apparently told him they would require a temporary facility permit, along with dewatering and coffer dams on the Yellowstone River. The additional work, along with the increased level of difficulty, accounts for the significant difference between the engineers' estimate and the low bid.

The second low bid also reflects a substantial increase in cost associated with the temporary facility permit. We can justify revising our engineers' estimate to \$827,265. The low bid is then 8.3 percent over revised engineers' estimate, and within guidelines for award.

Currie asked if the resource agency [DEQ] had input into this project prior to this point. Wissinger said they did. Currie said it bothers me that this came in so late. Lynch asked for detail and intends to meet with the head of DEQ to share the information with him.

Currie said the bridge is already scoured down to the footing, so we couldn't take the risk of delaying the repairs.

Staff recommended the contract be awarded to Donnes Inc in the amount of \$896,116.00.

8. Lavina - East

Project STPP 14-4(21)146

Three bids were tendered. There were no errors or omissions in the low bid which was 9.63 percent under our engineers' estimate.

Staff recommended the contract be awarded to Century Companies Inc in the amount of \$1,581,198.45.

9. Eureka - South, Eureka - North & South, and Fortine - North

Project NH 5-4(29)173, NH 5-4(30)177 & NH 5-4(28)168

Two bids were tendered. There were no errors or omissions in the low bid which was 3.43 percent under our engineers' estimate.

Staff recommended the contract be awarded to Schellinger Const Co Inc in the amount of \$1,076,066.09.

10. Trout Creek-Northwest

Project STPP 6-1(108)23

Two bids were tendered. There were no errors or omissions in the low bid which was 3.37 percent over our engineers' estimate.

Staff recommended the contract be awarded to Montana Materials Inc (dba) L S Jensen in the amount of \$211,821.79.

11. Checkerboard - West & White Sulphur Springs - South

Project STPP 14-2(27)56 & STPP 14-2(28)33

One bid was tendered. There were no errors or omissions in the low bid which was 22.6 percent over our engineers' estimate, and therefore outside the guidelines for award.

Riverside provided us a letter justifying their bid. A copy was included in the commission's agenda materials.

Wissinger explained that we made some last minute changes to the specification for seal-and-cover work. We had intended to include it in the new spec book to be released in 2006, but, in recognition of the volume of seal-and-cover work coming up, we elected to include the new specification in our contracts via special provision. We don't know the impact that had on competition or pricing.

Staff recommends the contract be rebid.

12. Jct US 12 – N

Project SFCS 284-1(3)0

Four bids were tendered. There were no errors or omissions in the low bid which was 11.71 percent under our engineers' estimate.

Staff recommended the contract be awarded to Helena Sand & Gravel Inc in the amount of \$188,169.04.

13. Sunburst - South, Pondera County Line-South & Great Falls - Vaughn

Project IM 15-8(62)380, IM 15-7(31)343 & IM 15-5(112)282

One bid was tendered. There were no errors or omissions in the low bid which was 18.93 percent over our engineers' estimate, and therefore outside the guidelines for award. A copy of Riverside's justification letter was included in the commission's agenda materials.

Wissinger explained that the same information about the recent change to the specification for seal-and-cover work applied to this project. Staff recommends the contract be rebid.

14. Augusta - Choteau & Choteau – North

Project STPP 9-1(14)40 & STPP 3-2(46)42

One bid was tendered. There were no errors or omissions in the low bid which was 10.83 percent over our engineers' estimate.

Staff recommended the contract be awarded to Riverside Contracting Inc in the amount of \$865,000.40.

15. Belt – Southeast

Project NH 57-1(5)0

Two bids were tendered. There were no errors or omissions in the low bid which was 54.28 percent under our engineers' estimate. Wissinger expressed confidence that this contractor

has done this type of work for us a number of times in the past and is well aware of what the project will entail.

Staff recommended the contract be awarded to Highway Specialties Inc in the amount of \$28,597.52.

Commissioner Kottel asked why we only got one bid on types of projects like number 13, which is a decent sized job. Staff had no explanation and asked Rehbein for his comments.

Rehbein said his bids were fair and would be a good buy for the state. He said if MDT rebids the two projects, Riverside's prices will likely be higher because they will have moved from the area and their crushing scenario would be different. He didn't have any insight as to why his company was the only bidder on three projects.

Commissioner Kottel moved to accept staff recommendations to award 13 of the projects as presented (projects 2,3,4,5,6,7,8,9,10,12,14, and 15) and reject the bids for projects 11 and 13; Commissioner Espy seconded the motion. All four commissioners voted aye.

Chairman Kennedy invited Marvin Rehbein to come to the January meeting of the Transportation Commission if he wished to discuss this in any further detail. Rehbein said he respected the staff and their work, and respected the commission as doing their best for the state. Lynch said Riverside is a good contractor and does a lot of work for the state.

The call concluded at 10:30 am.

Bill Kennedy, Chairman
Montana Transportation Commission

Jim Lynch, Director
Montana Department of Transportation

Lorelle Demont, Secretary
Montana Transportation Commission

attachment